

LAKE WABAUNSEE IMPROVEMENT DISTRICT  
FINANCIAL STATEMENT  
For The Year Ended December 31, 2012

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## INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Lake Wabaunsee Improvement District  
Wabaunsee County, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Lake Wabaunsee Improvement District, Wabaunsee County, Kansas, as of and for the year ended December 31, 2012, and the related notes to the financial statement.

### *Management's responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

## *Auditors' Responsibility (Continued)*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statement, the financial statement is prepared by Lake Wabaunsee Improvement District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonable determinable, are presumed to be material.

### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Lake Wabaunsee Improvement District as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

### *Opinion on Regulatory Basis of Accounting*

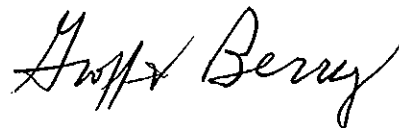
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Lake Wabaunsee Improvement District as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the 2012 financial statement as a whole. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2012 financial statement. Such information is the responsibility of management and the 2012 supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 financial statement. The 2012 information has been subjected to the auditing procedures applied in the audit of the 2012 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying

*Report on Supplementary Information (Continued)*

accounting and other records used to prepare the 2012 financial statement or to the 2012 financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2012 financial statement as a whole.

A handwritten signature in black ink, appearing to read "Amy Berry". The signature is written in a cursive, flowing style with a large initial 'A'.

July 29, 2013

LAKE WABAUNSEE IMPROVEMENT DISTRICT

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
REGULATORY BASIS

For the Year Ended December 31, 2012

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND	\$ 15,553	\$ 47,206	\$ 45,575	\$ 17,184	\$ 3,519	\$ 20,703
SPECIAL PURPOSE FUND						
Road maintenance	55,485	54,381	27,019	82,847	3,380	86,227
BUSINESS FUNDS						
Sewer utility	147,415	71,829	61,015	158,229	5,219	163,448
Sewer reserve for pump replacement	131,331	8,400	9,701	130,030	-	130,030
Water operating	143,350	164,132	167,615	139,867	7,063	146,930
Water reserve for principal and interest	<u>24,750</u>	<u>5,175</u>	<u>-</u>	<u>29,925</u>	<u>-</u>	<u>29,925</u>
Total reporting entity (excluding fiduciary funds)	<u>\$ 517,884</u>	<u>\$ 351,123</u>	<u>\$ 310,925</u>	<u>\$ 558,082</u>	<u>\$ 19,181</u>	<u>\$ 577,263</u>
COMPOSITION OF CASH:						
The Stockgrowers State Bank of Alma:						
Checking - NOW account					\$ 260,893	
Deduct: outstanding warrants					<u>105</u>	\$ 260,788
The First National Bank of Wamego-Alma:						
Certificates of deposit						<u>316,475</u>
Total reporting entity						<u>\$ 577,263</u>

The notes to the financial statement are an integral part of this statement.

LAKE WABAUNSEE IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENT  
For the Year Ended December 31, 2012

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) - Financial Reporting Entity

Lake Wabaunsee Improvement District, Wabaunsee County, Kansas, was incorporated as an improvement district by resolution of the Wabaunsee County Commissioners on July 31, 1978 in accordance with K.S.A. 19-2753; et seq., the District shall consist of 61 of the 64 platted blocks of real estate surrounding Lake Wabaunsee, Wabaunsee County, Kansas. Perpetual succession was awarded the District upon incorporation.

The District is governed by a three-member board of directors elected by the voters. The District receives funding from local, state and federal government sources. These financial statements present the Lake Wabaunsee Improvement District (the primary government) only since it has no component units or other entities requiring inclusion.

(b) - KMAAG Regulatory Basis of Presentation Fund Definitions

General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Business fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

(c) - Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1220a(c), waiving the requirement for application of generally accepted accounting principles and allowing the district to use the regulatory basis of accounting.

LAKE WABAUNSEE IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENT  
For the Year Ended December 31, 2012  
(Continued)

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) - Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), and enterprise (business) funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no amendments to the year 2012.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year end.

A legal operating budget is not required for capital project funds and fiduciary funds.

LAKE WABAUNSEE IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENT  
For the Year Ended December 31, 2012  
(Continued)

2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Depository Security

Bank balances of certificates of deposit held in the First National Bank of Wamego-Alma as of December 31, 2012 are insured by the FDIC only for \$ 250,000; of the balance, \$ 66,475 is collateralized with securities held by a third-party bank naming the District as "pledged to" on the safekeeping receipt.

Bank balances of deposits of The Stockgrowers State Bank of Alma as of December 31, 2012 are insured by the FDIC for \$ 250,000. Of the balance, \$ 10,893 is collateralized with securities held by a third-party bank naming the District as "pledged to" on the safekeeping receipt.

Indebtedness and Available Cash

Indebtedness was not created in excess of available cash in any of the funds during the year 2012.

Expenditures and Budget

During 2012, expenditures did not exceed appropriations in any of the funds.

3 - SIMPLIFIED EMPLOYEE PENSION AGREEMENT AND EMPLOYEE BENEFITS

(a) - Simplified Employee Pension Agreement

During a prior year, the District entered into a Simplified Employee Pension-Individual Accounts Contribution Agreement for the two qualifying employees. The District can contribute up to 25% of qualifying salary to the individual retirement account each calendar year. The eligibility requirements are the employee must be at least 21 years old and have performed services for the employer in at least 3 of the 5 immediately preceding years. The 2012 contribution was \$ 7,958.

(b) - Annual and Sick Leave Pay

Under the terms of the District's personnel policy, District employees are granted annual and sick leave in varying amounts depending on length of service. Annual leave is 5 days the first year, 12 days up to ten years, 15 days after ten years, 20 days after fifteen years and 25 days after twenty years. Sick leave is 5 days the first year and 12 days after the first year, accumulating to 60 days. Personal leave is one day per year and does not accumulate.

At December 31, 2012, the District estimates that accumulated unpaid vacation and sick pay are immaterial to the financial statements as a whole.



LAKE WABAUNSEE IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENT  
For the Year Ended December 31, 2012  
(Continued)

4 - DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the Government. The statute requires banks eligible to hold the Government's funds have a main or branch bank in the county in which the Government is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Government has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Government's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Government has no investment policy that would further limit its investment choices.

*Concentration of credit risk.* State statutes place no limit on the amount the Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial credit risk--deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may not be returned to it. State statutes require the Government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits of The Stockgrowers State Bank of Alma and First National Bank of Wamego-Alma were legally secured at December 31, 2012.

At December 31, 2012, the Government's carrying amount of deposits was \$ 577,263. The bank balance was held by two banks resulting in a concentration of credit risk of the bank balance; \$ 500,000 was covered by federal depository insurance and \$ 77,368 was collateralized with securities held by the pledging financial institutions' agents in the Government's name under a safekeeping receipt listing the Government as "pledged to" in the amount of \$ 320,617.

5 - LONG-TERM DEBT

On July 12, 2002, the District issued \$ 1,401,800 in General Obligation Bonds, Series A and B 2002, for the purpose of providing funds to construct a Water Distribution System. The bonds are registered and bear interest at 5.125% and 5.000%, final payment due July 12, 2042. Payment of principal and interest is secured by the lien on revenues derived from the Water System. These bonds were purchased by the United States Department of Agriculture, Rural Development. These bonds were paid off on September 19, 2012.

On September 19, 2012, the District issued \$ 1,320,000 in General Obligation Refunding Bonds, Series 2012, for the purpose of providing funds to pay off the General Obligation Bonds, Series A and B 2002, in the amount of \$ 1,279,000. The bonds are registered and bear interest at 0.60% to 4.25%, final payment due July 1, 2036. Payment of principal and interest is secured by the lien on revenues derived from the Water System.

LAKE WABAUNSEE IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENT  
For the Year Ended December 31, 2012  
(Continued)

5 - LONG-TERM DEBT (Continued)

Changes in long-term liabilities for the District for the year ended December 31, 2012, were as follows:

<u>Debt Issued</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
General obligation bonds:				
Water system:				
Series A 2002	5.125%	07-12-2002	\$ 1,008,300	07-12-2042
Series B 2002	5.000%	07-12-2002	393,500	07-12-2042
Refunding Bonds Series 2012	.60% to 4.25%	09-19-2012	<u>1,320,000</u>	07-01-2036
			<u>\$ 2,721,800</u>	

<u>Balance, Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance, End of Year</u>	<u>Interest Paid</u>
\$ 934,000	\$ -	\$ 934,000	\$ -	\$ 56,791
363,000	-	363,000	-	21,534
<u>-</u>	<u>1,320,000</u>	<u>-</u>	<u>1,320,000</u>	<u>-</u>
<u>\$ 1,297,000</u>	<u>\$ 1,320,000</u>	<u>\$ 1,297,000</u>	<u>\$ 1,320,000</u>	<u>\$ 78,325</u>

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal</u>	<u>Interest</u>
General obligation bonds:		
2013	\$ 40,000	\$ 32,078
2014	45,000	40,710
2015	45,000	40,350
2016	45,000	39,900
2017	45,000	39,337
2018 - 2022	235,000	184,188
2023 - 2027	275,000	149,487
2028 - 2032	325,000	95,813
2033 - 2036	<u>265,000</u>	<u>25,712</u>
Totals	<u>\$ 1,320,000</u>	<u>\$ 647,575</u>

LAKE WABAUNSEE IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENT  
For the Year Ended December 31, 2012  
(Continued)

6 - CONTINGENCIES

In the normal course of operations, the District received grant funds from various State and federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

8 - SUBSEQUENT EVENTS

Management has reviewed subsequent events through July 29, 2013.

LAKE WABAUNSEE IMPROVEMENT DISTRICT  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2012

LAKE WABAUNSEE IMPROVEMENT DISTRICT  
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
(BUDGETED FUNDS ONLY)  
For the Year Ended December 31, 2012

	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Favorable (Unfavorable)</u>
GENERAL FUND	\$ 60,790	\$ -	\$ 60,790	\$ 45,575	\$ 15,215
SPECIAL PURPOSE FUNDS					
Road maintenance	101,682	-	101,682	27,019	74,663
BUSINESS FUNDS					
Sewer utility	89,858	-	89,858	61,015	28,843
Sewer reserve for pump replacement	125,000	-	125,000	9,701	115,299
Water operating	<u>173,860</u>	<u>-</u>	<u>173,860</u>	<u>167,615</u>	<u>6,245</u>
Total Business Funds	<u>\$ 388,718</u>	<u>\$ -</u>	<u>\$ 388,718</u>	<u>\$ 238,331</u>	<u>\$ 150,387</u>

See Independent Auditor's Report.

## LAKE WABAUNSEE IMPROVEMENT DISTRICT

## GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	\$ 23,860	\$ 24,603	\$ (743)
Delinquent tax	379	150	229
Motor vehicle tax	1,031	908	123
Recreational vehicle tax	26	22	4
16/20 tax	-	25	(25)
Alcohol liquor tax	185	-	185
Customer charges	17,004	17,400	(396)
Service charges	266	375	(109)
Reimbursed expense	340	300	40
Miscellaneous income	689	500	189
Interest income	<u>3,426</u>	<u>3,500</u>	<u>(74)</u>
Total cash receipts	<u>47,206</u>	<u>\$ 47,783</u>	<u>\$ (577)</u>
Expenditures:			
Personal services	30,191	\$ 26,765	\$ (3,426)
Contractual services	9,022	9,025	3
Commodities	5,962	5,000	(962)
Capital outlay	-	7,000	7,000
Road maintenance	-	12,000	12,000
Water deposit	<u>400</u>	<u>1,000</u>	<u>600</u>
Total expenditures	<u>45,575</u>	<u>\$ 60,790</u>	<u>\$ 15,215</u>
Receipts over (under) expenditures	1,631		
Unencumbered cash, beginning of year	<u>15,553</u>		
Unencumbered cash, end of year	<u>\$ 17,184</u>		

See Independent Auditor's Report.

## LAKE WABAUNSEE IMPROVEMENT DISTRICT

## SPECIAL PURPOSE FUND

## ROAD MAINTENANCE FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	\$ 51,243	\$ 52,843	\$ (1,600)
Delinquent tax	828	500	328
Motor vehicle tax	2,254	1,981	273
Recreational vehicle tax	56	49	7
16/20 tax	-	55	(55)
Reimbursed expense	<u>-</u>	<u>300</u>	<u>(300)</u>
Total cash receipts	<u>54,381</u>	<u>\$ 55,728</u>	<u>\$ (1,347)</u>
Expenditures:			
Personal services	16,076	\$ 11,895	\$ (4,181)
Contractual services	3,304	3,225	(79)
Commodities	7,639	4,850	(2,789)
Capital outlay	-	12,500	12,500
Road maintenance	<u>-</u>	<u>69,212</u>	<u>69,212</u>
Total expenditures	<u>27,019</u>	<u>\$ 101,682</u>	<u>\$ 74,663</u>
Receipts over (under) expenditures	27,362		
Unencumbered cash, beginning of year	<u>55,485</u>		
Unencumbered cash, end of year	<u>\$ 82,847</u>		

See Independent Auditor's Report.

LAKE WABAUNSEE IMPROVEMENT DISTRICT  
 BUSINESS FUND  
 SEWER UTILITY FUND  
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 REGULATORY BASIS  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable <u>(Unfavorable)</u>
Cash receipts:			
Collections from customers	\$ 61,186	\$ 62,064	\$ (878)
Connection payments	7,500	-	7,500
Reimbursed expense	280	100	180
Interest income	2,863	3,500	(637)
Miscellaneous income	-	-	-
Custom work	-	550	(550)
Transfer from pump replacement reserve	-	-	-
Total cash receipts	<u>71,829</u>	<u>\$ 66,214</u>	<u>\$ 5,615</u>
Expenditures:			
Personal services	33,633	\$ 41,633	\$ 8,000
Contractual services	8,713	9,825	1,112
Commodities	5,949	5,000	(949)
Capital outlay	4,320	25,000	20,680
Transfer to pump replacement reserve	<u>8,400</u>	<u>8,400</u>	-
Total expenditures	<u>61,015</u>	<u>\$ 89,858</u>	<u>\$ 28,843</u>
Receipts over (under) expenditures	10,814		
Unencumbered cash, beginning of year	<u>147,415</u>		
Unencumbered cash, end of year	<u>\$ 158,229</u>		

See Independent Auditor's Report.



LAKE WABAUNSEE IMPROVEMENT DISTRICT  
 BUSINESS FUND  
 SEWER RESERVE FOR PUMP REPLACEMENT FUND  
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 REGULATORY BASIS  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Transfer from sewer utility	\$ <u>8,400</u>	\$ <u>8,400</u>	\$ <u>-</u>
Total cash receipts	8,400	\$ <u><u>8,400</u></u>	\$ <u><u>-</u></u>
Expenditures:			
Sewer pump replacements	<u>9,701</u>	\$ <u>125,000</u>	\$ <u>115,299</u>
Total expenditures	9,701	\$ <u><u>125,000</u></u>	\$ <u><u>115,299</u></u>
Receipts over (under) expenditures	(1,301)		
Unencumbered cash, beginning of year	<u>131,331</u>		
Unencumbered cash, end of year	\$ <u><u>130,030</u></u>		

See Independent Auditor's Report.

## LAKE WABAUNSEE IMPROVEMENT DISTRICT

BUSINESS FUND  
 WATER OPERATING UTILITY FUND  
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 REGULATORY BASIS  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Collections from customers	\$ 24,213	\$ 26,548	\$ (2,335)
Water assessment	105,350	98,928	6,422
Fire assessment	32,156	32,688	(532)
Water connection fees	1,500	3,000	(1,500)
Reimbursed expense	174	260	(86)
Miscellaneous income	<u>739</u>	<u>-</u>	<u>739</u>
Total cash receipts	<u>164,132</u>	<u>\$ 161,424</u>	<u>\$ 2,708</u>
Expenditures:			
Personal services	36,223	\$ 38,659	\$ 2,436
Contractual services	8,336	8,450	114
Commodities	6,163	4,100	(2,063)
Capital outlay	-	15,500	15,500
Water purchased	15,394	20,348	4,954
Interest	78,324	66,103	(12,221)
Principal	18,000	18,000	-
Transfer to reserve for principal and interest	<u>5,175</u>	<u>2,700</u>	<u>(2,475)</u>
Total expenditures	<u>167,615</u>	<u>\$ 173,860</u>	<u>\$ 6,245</u>
Receipts over (under) expenditures	(3,483)		
Unencumbered cash, beginning of year	<u>143,350</u>		
Unencumbered cash, end of year	<u>\$ 139,867</u>		

See Independent Auditor's Report.

LAKE WABAUNSEE IMPROVEMENT DISTRICT  
 BUSINESS FUND  
 WATER RESERVE FOR PRINCIPAL AND INTEREST FUND  
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 REGULATORY BASIS  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Transfer from water utility	\$ 5,175	\$ <u>2,700</u>	\$ <u>2,475</u>
Expenditures	<u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Receipts over (under) expenditures	5,175		
Unencumbered cash, beginning of year	<u>24,750</u>		
Unencumbered cash, end of year	\$ <u>29,925</u>		

See Independent Auditor's Report.